

**STATE OF VERMONT
OFFICE OF THE ATTORNEY GENERAL
109 STATE STREET
MONTPELIER, VT 05609-1001**

FOR IMMEDIATE RELEASE:
February 26, 2020

CONTACT: Charity R. Clark
Chief of Staff
802-828-3171

**ATTORNEY GENERAL SUPPORTS OPIOID MANUFACTURER'S
SETTLEMENT FRAMEWORK**

MONTPELIER – Attorney General T.J. Donovan announced that opioid manufacturer, Mallinckrodt (MNK), has devised a global settlement framework that would settle all opioid-related claims against it. The agreement in principle is supported by Vermont and 46 states and U.S. territories, as well as municipalities and other litigants in the federal opioid multidistrict litigation.

The settlement framework was created in anticipation of some of MNK's businesses filing a Chapter 11 bankruptcy restructuring. Through the settlement framework, MNK agrees to pay a total of \$1.6 billion to a trust earmarked for the costs of opioid addiction treatment and related efforts, with the potential for increased payment to the trust. MNK also agrees that its future generics opioid business will be subject to stringent injunctive relief that, among other things, will prevent marketing and ensure systems are in place to prevent diversion. MNK, including its subsidiaries and certain other affiliates, is currently the largest generic opioid manufacturer in the United States.

"My office is committed to holding those responsible for the opioid crisis accountable," said Attorney General Donovan. "MNK had inadequate monitoring of suspicious orders, which contributed to the opioid crisis. We are hopeful that this trust fund will provide meaningful resources to help combat this crisis."

If the settlement framework is approved by the bankruptcy court, MNK's creditors, including states and territories, municipalities, and individuals, will need to devise a system for fairly and equitably resolving their claims against MNK. Vermont's portion of the settlement will be worked out in that process.

#